



United States Senate

WASHINGTON, DC 20510-0905

BILL NELSON
FLORIDA

March 9, 2005

The Honorable Ted Stevens
Chairman
United States Senate Committee on Commerce, Science, and Transportation

The Honorable Dan Inouye
Co-Chairman
United States Senate Committee on Commerce, Science, and Transportation

Dear Chairman Stevens and Co-Chairman Inouye:

We write to urge you to hold hearings on a critical consumer issue: the role that so-called "information brokers" play in compiling and selling individuals' personally identifiable information.

In the wake of recent identity thefts involving the information broker ChoicePoint, as well as the loss or theft of financial data from 1.2 million federal employee accounts serviced by Bank of America, the time has come for Congress to fully examine ways to reduce this type of consumer fraud. The crime of identity theft now affects over 10 million Americans each year and is the most common consumer fraud complaint filed with the Federal Trade Commission. In 2004, identity theft cost U.S. businesses and consumers over \$52 billion.

Never before has the privacy of individuals' personal financial and medical data been so threatened, and our constituents are alarmed. We have learned that in recent years, information brokers have assembled detailed consumer dossiers using literally billions of records, including persons' names, addresses, Social Security numbers, asset histories, and health information. Information brokers then sell this information to corporations, government, law enforcement, private investigators, and others who make a wide range of decisions about peoples' lives, such as whether they get a job, where they live, and whether they get insurance.

The Senate Commerce Committee should examine ways that the Federal Trade Commission could effectively ensure that: (1) individuals can access a copy of their information broker dossier and that inaccurate information in their dossier be corrected; (2) individuals can learn who has requested information from their dossier; (3) information brokers safeguard the privacy of individuals' dossiers; and (4) information brokers ensure that only legitimate customers are allowed to buy their wide range of data products for permissible purposes. Sen. Bill Nelson recently introduced a bill (S. 500) seeking to accomplish these objectives.

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Congress must do its part to help protect consumer privacy, reduce identity theft, and ensure the safekeeping of individually identifiable information. Your leadership on these issues is critical to making these goals a reality for our constituents.

Sincerely,

Bill Nelson

Byron L. Dorgan

John F. Kerry